



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and
Energy Reliability

ENERGY ASSURANCE DAILY

Friday, May 05, 2006

Electricity

Mirant to Shut Pittsburg 7, Contra Costa 6 in California

Mirant filed a notice with the California Public Utilities Commission and California Independent System Operator to shut down its Pittsburg 7 and Contra Costa 6 units near San Francisco, California. Mirant concluded that the operation of these units was not economic after it failed to secure reliability compensation or negotiate contracts successfully. These units will be shut in 90 days if no successful negotiation is reached.

<http://biz.yahoo.com/prnews/060504/clth088.html?.v=19>

Reuters, 17:58 May 4, 2006.

Ontario Plans a New Water Tunnel for Electric Power to Serve 160,000 Homes

Ontario Power Generation plans to draw 14 percent more water from Niagara Falls to provide electric power to 160,000 homes in Toronto region. A massive 7-mile long, 47.2 feet-diameter tunnel is to be built to carry the water to Toronto. The tunnel is expected to open in 2009.

http://pro.encycentral.com/professional/news/power/news_article.cfm?id=6640748

TXU's 750 MW Coal-fired Monticello 3 in Texas Shut May 4-5

The unit shut to fix a tube leak.

Reuters, 08:49 May 5, 2006.

NRG's 646 MW Coal/Gas-fired WA Parish 5 in Texas to Restart May 5

The unit shut following an unplanned maintenance outage.

Reuters, 08:38 May 5, 2006.

PPL's 1,140 MW Susquehanna 2 Nuke in Pennsylvania Exits Outage May 5

The unit, which ramped up to 12 percent today, shut on April 29 to repair a water leak and conduct other maintenance.

Reuters, 07:23 May 5, 2006.

Petroleum

U.S. Ethanol Prices Rise to 9-Year High

Ethanol prices averaged \$2.79 per gallon today, up 6.3 percent from the end of last week and the highest price since 1997. Refiners are phasing in ethanol as the blending component of choice for reformulated gasoline (RFG).

Ethanol is replacing the fuel-additive MTBE.

Bloomberg, 12:47 May 5, 2006.

EPA to Study 'Boutique' Gasoline's Effect on U.S. Supply and Distribution

The U.S. Environmental Protection Agency has convened a taskforce with state governors to study the effects of "boutique" gasoline blends on America's fuel supply and the distribution system. The taskforce will review current requirements and propose options for changing them. The EPA will submit the report to the President in six to eight weeks.

Reuters, 17:33 May 4, 2006.

Gulf Coast Refiners Strengthening Hurricane Plans - NPRA

According to the National Petrochemical and Refiners Association (NPRA), U.S. Gulf Coast refiners are making new security plans and stocking up on mobile homes and generators to prepare for future hurricanes.

Reuters, 15:06 May 4, 2006.

Nigerian Exports Up 210,000 b/d as Erha Oil Field Ramps Up

Exxon will export four cargoes from the new offshore Erha field this May, up from one cargo in April. Nigeria has scheduled for export around 2.08 million b/d. Nigeria supplied 7.9 percent of U.S. oil imports in 2005.

Reuters, 06:27 May 5, 2006.

Update: Venezuela Approves New Joint Ventures

Last year Venezuelan President Hugo Chavez declared 32 operating agreements run by foreign oil companies to be illegal and ordered their conversion to joint venture agreements. Last month, the Venezuelan government seized two oil fields operated by Total SA and Eni when they failed to convert to the new joint ventures that give the state-oil company, PDVSA, a 60 to 80 percent stake in each field.

Reuters 17:36 May 4, 2006.

Natural Gas

Nothing to report.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
May 5, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	70.09	71.80	51.12
\$/Barrel			
NATURAL GAS			
Henry Hub	6.80	6.64	6.65
\$/Million Btu			

Source: Reuters

Energy Notes

U.S. States Don't Expect EPA to Grant RFG Waivers to Ease Gasoline Crunch; Pennsylvania and Maryland Still Waiting

Reuters, 15:24 May 4, 2006.

Bush Says Congress Should Drop Tariff on Imported Ethanol

Reuters, 13:29 May 5, 2006.

Experts Back Developing Technology for Nuclear Waste Re-use

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6636921

Alaska's Energy Consultant Views Building LNG Receiving Terminals Unlikely

<http://www.adn.com/opinion/story/7691354p-7602559c.html>

Chad's Oil Output Could Double to 400,000 b/d in Five Years – Oil Min

Reuters, 05:01 May 5, 2006.

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpst.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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